

**MEMORANDUM**

**To:** Board of Trustees  
**From:** Steve Schultz, SVP and General Counsel  
**Cc:** Mung Chiang, President  
Chris Ruhl, EVP, Treasurer and Chief Financial Officer  
Patrick Wolfe, Provost and EVP for Academic Affairs  
Michael B. Cline, SVP, Administrative Operations & CEO, Indianapolis  
Adrian S. Allen, VP and Deputy General Counsel  
**Re:** Proposed Amendments to Article VII of the Bylaws  
**Date:** June 2, 2026

**BOARD APPROVED**  
June 5, 2026  
Cindy Ream  
Corporate Secretary

**Purpose.** The purpose of this memo is to request that the Board of Trustees approve certain amendments to Article VII of the Bylaws to increase the monetary threshold triggering certain Board and Committee approvals for capital projects, real estate transactions, and contracts. This proposal is primarily driven by a desire to align the criteria for our internal approval process with recent changes to Indiana law, as described below. The requested modifications are reflected as redlined changes in Exhibit A attached hereto.

**Background.** For many years, Purdue and the state's other public universities have been required to receive approval from the Indiana Commission for Higher Education and the State Budget Committee to: (1) construct buildings or facilities, or (2) purchase or lease-purchase land, in each case when the transaction cost exceeds \$2 million. As a result of the passage this past session of Senator Spencer Deery's Higher Educational Deregulation bill (SEA 204-2026), this threshold has been increased to \$3 million.

The proposed Bylaw changes give effect to commensurate changes in our internal project approval process, while increasing the threshold from \$2 million to \$3 million for other contract approvals, as well, for the sake of consistency. As amended by the Deery bill, the new state law requires projects between \$2 million and \$3 million to be reported to the State Budget Committee, but they will not need to go through the formal ICHE and Budget Committee approval process. We will maintain an internal process to ensure these reports are timely made to the Budget Committee. Moreover, as the Bylaws currently stipulate, contracts of \$1,000,000 or more will still be reported to the Physical Facilities Committee and the Finance Committee, as the case may be.

Another proposed change—unrelated to the state approval process but intended to reflect a longstanding practice that has worked well for more than a decade—is to remove a paragraph in the change order approval process that we believe is superfluous based on existing effective project management processes. This is merely a streamlining modification to clarify that, as long as project costs are kept within the “authorized cost level” approved by the Board, change orders for work occurring within that budget need not be brought back for Committee or Board approval.

**Request.** Your consideration of the proposed amendments is respectfully requested.